

U.S. Census Bureau News

U.S. Department of Commerce • Washington, D.C. 20233

FOR IMMEDIATE RELEASE
FRIDAY, OCTOBER 13, 2006, AT 10:00 A.M. EDT

Scott Scheleur (Retail): (301) 763-2713
John Miller (Wholesale): (301) 763-2747
Chris Savage (Manufacturing): (301) 763-4832

CB06-151

MANUFACTURING AND TRADE INVENTORIES AND SALES August 2006

Special Notice – Beginning with the December 13, 2006 release for October 2006, retail and wholesale data in this report will be based on a new sample. New samples for the Monthly Retail and Wholesale Trade Surveys are selected about once every five years. For further information on the sample revision, see our website at <http://www.census.gov/bussales>.

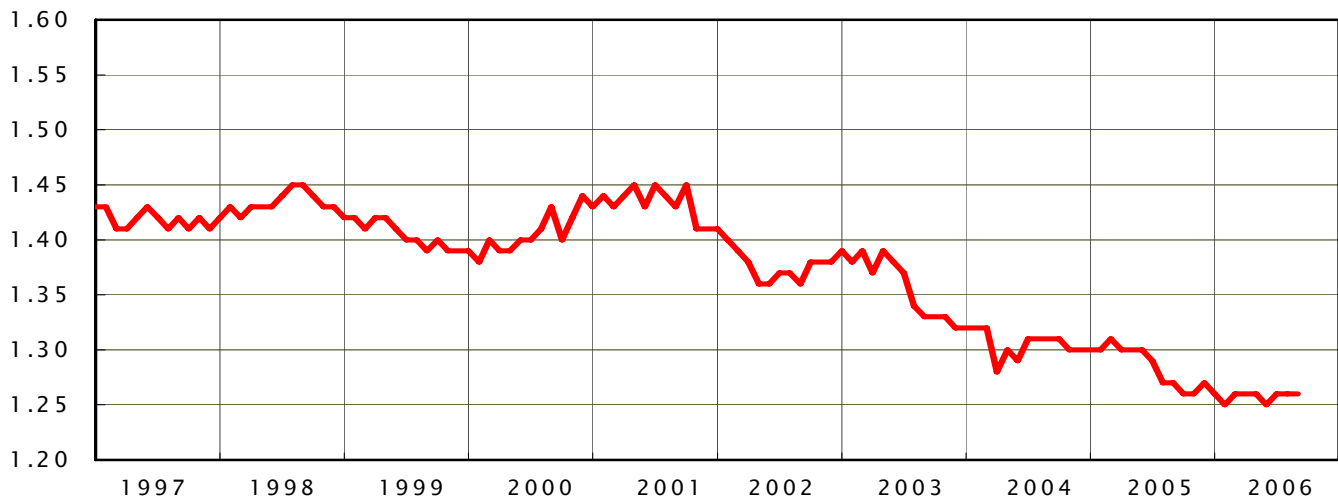
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for August, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,075.3 billion, up 0.8 percent ($\pm 0.2\%$) from July and up 8.1 percent ($\pm 0.3\%$) from August 2005.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,357.0 billion, up 0.6 percent ($\pm 0.1\%$) from July and up 7.7 percent ($\pm 0.4\%$) from August 2005.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of August was 1.26. The August 2005 ratio was 1.27.

Total Business Inventories/Sales Ratios: 1997 to 2006

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for September is scheduled to be released November 14, 2006 at 10:00 a.m. EST.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Aug. 2006	Jul. 2006	Aug. 2005	Aug. 2006	Jul. 2006	Aug. 2005	Aug. 2006	Jul. 2006	Aug. 2005
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,075,260	1,067,161	994,942	1,357,035	1,348,329	1,259,475	1.26	1.26	1.27
Manufacturers ³	407,784	403,287	384,246	475,502	473,717	446,434	1.17	1.17	1.16
Retailers.....	331,870	331,988	312,485	494,894	492,228	460,569	1.49	1.48	1.47
Merchant wholesalers.....	335,606	331,886	298,211	386,639	382,384	352,472	1.15	1.15	1.18
Not Adjusted									
Total business.....	1,118,007	1,020,654	1,034,352	1,339,344	1,334,161	1,243,050	1.20	1.31	1.20
Manufacturers ³	420,025	371,365	395,980	479,291	477,394	449,306	1.14	1.29	1.13
Retailers.....	345,181	331,696	324,612	476,704	474,857	444,252	1.38	1.43	1.37
Merchant wholesalers.....	352,801	317,593	313,760	383,349	381,910	349,492	1.09	1.20	1.11

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Aug. 06/ Jul. 06	Jul. 06/ Jun. 06	Aug. 06/ Aug. 05	Aug. 06/ Jul. 06	Jul. 06/ Jun. 06	Aug. 06/ Aug. 05	Aug. 06/ Jul. 06	Jul. 06/ Jun. 06	Aug. 06/ Aug. 05	Aug. 06/ Jul. 06	Jul. 06/ Jun. 06	Aug. 06/ Aug. 05
Total business.....	0.8	0.5	8.1	0.6	0.7	7.7	9.5	-8.2	8.1	0.4	0.1	7.7
Manufacturers.....	1.1	-0.1	6.1	0.4	0.8	6.5	13.1	-13.7	6.1	0.4	2.0	6.7
Retailers.....	0.0	1.5	6.2	0.5	0.4	7.5	4.1	-1.5	6.3	0.4	-2.4	7.3
Merchant wholesalers..	1.1	0.5	12.5	1.1	0.9	9.7	11.1	-7.7	12.4	0.4	1.1	9.7

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Aug. 2006 (p)	Jul. 2006 (r)	Aug. 2005 (s)	Aug. 2006 (p)	Jul. 2006 (r)	Aug. 2005 (s)	Aug. 06/ Jul. 06	Jul. 06/ Jun. 06	Aug. 06/ Aug. 05	Aug. 06	Jul. 06	Aug. 05
	Adjusted ²												
	Retail trade, total.....	331,870	331,988	312,485	494,894	492,228	460,569	0.5	0.4	7.5	1.49	1.48	1.47
	Total (excl. motor veh. & parts).....	256,166	255,997	238,446	330,178	328,392	316,163	0.5	0.3	4.4	1.29	1.28	1.33
441	Motor vehicle & parts dealers.....	75,704	75,991	74,039	164,716	163,836	144,406	0.5	0.5	14.1	2.18	2.16	1.95
442,3	Furniture, home furn., elect. & appl. stores.....	18,868	18,869	17,758	31,338	31,447	30,026	-0.3	0.1	4.4	1.66	1.67	1.69
444	Building materials, garden equip & supplies.....	29,980	29,808	27,452	48,890	48,404	44,669	1.0	1.2	9.4	1.63	1.62	1.63
445	Food & beverage stores.....	45,737	45,555	43,429	34,410	34,339	33,465	0.2	0.2	2.8	0.75	0.75	0.77
448	Clothing & clothing access. stores.....	17,937	17,980	16,826	44,527	44,342	42,095	0.4	0.1	5.8	2.48	2.47	2.50
452	General merchandise stores.....	46,366	46,151	44,120	74,137	73,606	73,641	0.7	0.9	0.7	1.60	1.59	1.67
4521	Dept. str. (excl. leased depts.).....	17,682	17,674	17,840	36,074	35,960	37,756	0.3	0.5	-4.5	2.04	2.03	2.12
	Not Adjusted												
	Retail trade, total.....	345,181	331,696	324,612	476,704	474,857	444,252	0.4	-2.4	7.3	1.38	1.43	1.37
	Total (excl. motor veh. & parts).....	261,334	249,988	242,674	326,700	320,616	312,719	1.9	0.3	4.5	1.25	1.28	1.29
441	Motor vehicle & parts dealers.....	83,847	81,708	81,938	150,004	154,241	131,533	-2.7	-7.7	14.0	1.79	1.89	1.61
442,3	Furniture, home furn., elect. & appl. stores.....	19,291	18,028	18,170	30,617	30,787	29,335	-0.6	0.0	4.4	1.59	1.71	1.61
444	Building materials, garden equip & supplies.....	31,672	30,262	29,133	47,619	47,484	43,508	0.3	-1.6	9.4	1.50	1.57	1.49
445	Food & beverage stores.....	46,599	46,674	43,824	33,749	33,685	32,821	0.2	-1.0	2.8	0.72	0.72	0.75
448	Clothing & clothing access. stores.....	17,995	16,360	16,757	45,640	44,120	43,147	3.4	1.9	5.8	2.54	2.70	2.57
452	General merchandise stores.....	45,133	43,881	42,843	72,767	70,088	72,130	3.8	1.7	0.9	1.61	1.60	1.68
4521	Dept. str. (excl. leased depts.).....	16,963	15,985	17,155	35,389	33,910	36,963	4.4	2.1	-4.3	2.09	2.12	2.15

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.